Message Text

CONFIDENTIAL

PAGE 01 VALLET 00222 01 OF 02 020854Z

11

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 PM-07 INR-10 L-03 NEA-11

NSAE-00 PA-04 RSC-01 PRS-01 SPC-03 USIA-15 TRSE-00

SAM-01 SAJ-01 DODE-00 H-03 NSC-10 SS-20 COME-00 EB-11

LAB-06 SIL-01 OMB-01 AID-20 DRC-01 /156 W $\,$

----- 045524

R 011544Z FEB 74 FM AMEMBASSY VALLETTA TO SECSTATE WASHDC 5211 INFO AMEMBASSY LONDON AMEMBASSY ROME AMEMBASSY BONN USNATO 1420

CONFIDENTIAL SECTION 1 OF 2 VALLETTA 0222/1

E.O. 11652: GDS TAGS: PINT, MT

SUBJ: MEETING WITH NATIONALIST PARTY LEADERS

REF: VALLETTA 0203

- 1. SUMMARY: DURING LUNCH WITH NATIONALIST PARTY LEADER BORG OLIVIER AND HIS DEPUTY, VINCENT TABONE, THEY DOWNPLAYED POLITICAL EFFECT OF DEFECTION OF NATIONALIST MP TO LABOR, SPOKE OF P.M. MINTOFF'S ENERGY PROBLEMS, AND PREDICTED SUBSTANTIAL INCREASES IN ELECTRICITY, GAS AND WATER RATES. THEY THOUGH MLP WOULD LOSE IF ELECTIONS WERE HELD SHORTLY, AND SAID POLITICAL INFLUENCE OF THE CHURCH HAD DECLINED SUBSTANTIALLY. THEY DISCOUNTED EFFORTS OF COLOMBO TO SPLIT MLP.
- 2. BALDACCHINO DEFECTION (REFTEL). WHILE OBVIOUSLY UNHAPPY OVER BALDACCHINO'S DEFECTION TO LABOR, BOTH B.O. AND TABONE HELD THAT THEY WOULD RECOVER HIS SEAT CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VALLET 00222 01 OF 02 020854Z

IN THE NEXT ELECTION. "WE LOST AN MP, BUT WE DIDN'T

LOSE ANY VOTES." B.O. DID SAY, HOWEVER, THE NEW LINE-UP WOULD MAKE IT MORE DIFFICULT FOR HIM TO KEEP HIS MEMBERS FROM ABSENTING THEMSELVES FROM PARLIMENT

- 3. MEETING WITH MINTOFF. B.O. SAID MAIN PURPOSE OF THEIR MEETING ON MONDAY WITH MINTOFF (VALLETTA 0182) WAS THAT LATTER WANTED NATIONALIST COOPERATION TO PASS QUICKLY THE BILL ON THE NATIONAL BANK, TO WHICH THEY HAD AGREED (VALLETTA 0212).
- 4. ENERGY. MINTOFF HAD ALSO WANTED NATIONALISTS TO AGREE TO A PROPOSAL GIVING HIM AUTHORITY TO RAISE ELECTRICITY RATES RETROACTIVELY OVER THREE-WEEK PERIODS, I.E., IN THREE WEEKS TIME HE COULD RAISE RATES RETROACTIVELY AND THREE WEEKS FROM THEN HE COULD RAISE THEM AGAIN ON AS-NEEDED BASIS, ETC. THEY DID NOT SUPPORT THIS PROPOSAL. TABONE SAID THAT MINTOFF'S PROPOSED ELECTRICITY RATE INCREASES WERE VERY HIGH, ABOUT TRIPLE THE PRESENT RATE. MINTOFF HAD INTENDED TO ANNOUNCE THEM THIS WEEK, BUT SIX MEMBERS OF HIS PARLIAMENTARY GROUP REFUSED TO GO ALONG ON THE GROUNDS OF THE GREAT POLITICAL DAMAGE THAT WOULD BE DONE BY SUCH NEAVY INCREASES. TABONE SAID HE HAD HEARD THAT BOTTLED GAS PRICES WOULD BE DOUBLED AND THAT WATER RATES WOULD GO UP SUBSTANTIALLY AS WELL. BOTH LEADERS AGREED THT MINTOFF WAS IN EXTREMELY DEEP TROUBLE AS RESULT OF ENERGY CRISIS, THAT HE HAD NOT GOTTEN FAVORABLE RATE ON CRUDE FROM QADHAFI (THEY DIDN'T KNOW WHAT THE RATE WAS), AND THAT HIS POLITICAL FUTURE AS WELL AS MALTA'S ECONOMIC FUTURE DEPENDED HEAVILY UPON RESULTS OF HIS TRIP TO MIDDLE EAST TO OBTAIN A LOWER PRICE FOR CRUDE. THEY HELD THAT MINTOFF MADE A MISTAKE IN NOT ACCEPTING ESSO'S OFFER, BUT RECALLED THEIR OWN NEGOTIATIONS WITH ESSO WHILE THEY WERE IN OFFICE AND GAVE CLEAR IMPRESSION THEY WERE NOT SYMPATHETIC TO ESSO.
- 5. ELECTION POSSIBILITIES. BOTH MEN ASSERTED THAT IF ELECTIONS WERE HELD SHORTLY, MLP WOULD LOSE, NOT ONLY CONFIDENTIAL

CONFIDENTIAL

PAGE 03 VALLET 00222 01 OF 02 020854Z

BECAUSE OF PRESENT ENERGY PROBLEMS AND SHORTAGES OF VARIOUS COMMODITIES, BUT BECAUSE MINTOFF HAD ANGERED SO MANY PEOPLE THROUGHOUT MALTA. THEY DID NOT RULE OUT POSSIBILITY OF A QUICK ELECTION IF MINTOFF RETURNED FROM HIS MIDDLE EAST VISIT AFTER ACHIEVING A NOTABLE SUCCESS, BUT FELT THAT ELECTIONS WOULD BE HELD TOWARDS THE END OF HIS TERMS IN 1976, OR 1975 AT THE EARLIEST. THEY DISCUSSED THE ALLEGED MINTOFF PLAN

FOR SINGLE-MEMBER DISTRICTS AND SAID THAT THEY HAD BEEN TOLD BY LABOR M.P. JOE BRINCAT THAT THE IDEA HAD BEEN DROPPED BECAUSE MINTOFF NOW REALIZES THAT SUCH A SYSTEM WOULD GIVE THE NATIONALISTS A MAJORITY I PARLIAMENT. TABONE ESTIMATED THAT IT WOULD GIVE THEM A TWO-THIRDS MAJORITY. TABONE SAID NATIONALIST PARTYP MEMBERSHIP WAS "GOOD" BUT HE WAS LESS OPTIMISTIC THEN IN THE PAST. HE SAID THAT IT IS A "MIRACLE" THAT THEIR DAILY "IN-NAZZJON TAGHNA" GETS PUBLISHED DUE TO LACK OF FUNDS. NATIONALIST MEMBERS HIP COSTS 30 US CENTS ANNUALLY.

6. CONSTITUTIONAL ISSUES. THEIR RESPONSE TO A QUESTION AS TO WHETHER THEY THOUGHT MINTOFF WOULD TAKE ILLEGAL ACTION TO CHANGE THE CONSTITUTION WAS AMBIVALENT. "EVEN MINTOFF DOESN'T KNOW WHAT MINTOFF WILL DO FIVE MINUTES BEFOREHAND." TABONE FELT, HOWEVER, THAT IT WOULD BE DIFFICULT FOR MINTOFF TO BACK DOWN AFTER HIS PUBLIC THREATS TO CHANGE THE CONSTITUTION WITHOUT A TWO-THIRDS MAJORITY AND NOTED THAT IF THE GOVERNOR GENERAL REFUSED TO COOPERATE, MINTOFF WOULD SIMPLY APPOINT ANOTHER ONE WHO WOULD. B.O. THOUGHT THAT MINTOFF MIGHT USE CONSTITUTIONAL ISSUES TO CREATE A DIVERSION FROM HIS ENERGY PROBLEMS. THEY POINTED OUT THAT MANY MALTESE ARE NOT CONVERSANT WITH THE TERMS OF THE CONSTITUTION AND MIGHT NOT TAKE AN ILLEGAL MOVE TO CHANGE IT TOO SERIOUSLY. THE POSSIBILITY OF MINTOFF'S HOLDING REFERENDA ON SUCH CHANGES WERE DISCUSSED, WITH TABONE HOLDING THAT THE GOZO REFERENDUM HAD BEEN A SEVERE DEFEAT FOR MINTOFF AND THAT IF CONSTITUTIONAL REFERENDA WERE HELD, THE NATIONALISTS OUGHT TO FIGHT THEM. B.O. MILDLY DISAGREED, SAYING THAT HE DID NOT TRUST REFERENDA. CONFIDENTIAL

CONFIDENTIAL

PAGE 04 VALLET 00222 01 OF 02 020854Z

7. MINTOFF. BOTH MEN SAID THE USUAL ABOUT MINTOFF, HIS UNPREDICTABILITY, HIS TRETMENT OF HIS COLLEAGUES AND THE NATIONALISTS, ETC. B.O., NOTING MINTOFF'S WELL-KNOWN FRUGALITY, SAID, "HE'S A MISER. HE'S A MISER AT HOME, AND HE RUNS THE COUNTRY JUST LIKE HE RUNS HIS HOME." WHEN ASKED ABOUT THEIR VIEWS ON A LIKELY SUCCESSOR TO HIM, THEY RULED OUT DEPUTY MLP LEADER BUTTIGIEG, BUT MENTIONED LABOR MIN JOE CASSAR AND PUBLIC WORKS MIN LORRY SANT, NOTING THAT THE LATTER WOULD BE MINTOFF'S CHOICE. B.O SAID THAT SANT SEEMS WORRIED AND IS BEGINNING TO HAVE A DRINKING PROBLEM. THEY ACKNOWLEDGED JOE ATTARD KINGSWELL'S ABILITIES BUT EXPRESSED DOUBT ABOUT ANY IMPORTANT POLITICAL FUTURE FOR HIM, NOTING THAT HE HAD FAILED TO BE

ELECTED WHEN HE RAN IN 1962 AND THAT MANY OF HIS SUP-PORTERS FEEL THAT HE HAS LET THEM DOWN. FOR THE SAME REASON THEY SAID LORRY SANT HAS LOST MUCH OF HIS FORMER BACKING AMONG THE DRYDOCK WORKERS.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 VALLET 00222 02 OF 02 020858Z

11

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 SAM-01 NEA-11 TRSE-00 SAJ-01 COME-00 EB-11

LAB-06 SIL-01 OMB-01 AID-20 DRC-01 /156 W

R 011544Z FEB 74 FM AMEMBASSY VALLETTA TO SECSTATE WASHDC 5212 INFO AMEMBASSY LONDON AMEMBASSY ROME AMEMBASSY BONN USNATO 1421

CONFIDENTIAL FINAL SECTION OF 2 VALLETTA 0222/2

8. THE CHURCH. BOTH MEN AGREED THAT THE CHURCH NO LONGER PLAYED AN IMPORTANT POLITICAL ROLE ON THE ISLAND AND WAS ALSO LOSING ITS INFLUENCE OVER THE MALTESE PEOPLE (VALLETTA 0205). TABONE DID NOT AGREE WITH B.O.'S EXPRESSED CONCERN ABOUT MALTESE YOUTH TURNING TO THE LEFT AND BECOMING INCREASINGLY ANTI-ESTABLISHMENT. TO SUPPORT HIS VIEWS, HE CITED A CONVERSATION WITH FATHER DIONYSIUS MINTOFF, WHO HAD TOLD HIM THAT MOST OF THE LEFT LEANING YOUTH THAT HE ASSOCIATED WITH WOULD VOTE NATIONALIST ON THE GROUNDS THAT THEY WERE STRONGER IN SUPPORTING SOCIAL WELFARE MEASURES. THEY AGREED THAT ARCHBISHOP GONZI WAS NOT PROVIDING THE CHURCH LEADERSHIP THAT HE HAD DONE IN HIS YOUNGER DAYS. THEY SAID THAT THE VATICAN HAD WANTED TO REMOVE ARCHBISHOP GONZI SHORTLY BEFORE THE ELECTIONS BECAUSE IT DID NOT TRUST HIM. AS IT TURNED

OUT, THE PASTORAL LETTER ON THE ELECTIONS WAS EXTREMELY BRIEF AND MUCH TOO MILD.

9. COLOMBO PARTY. BOTH SAID COLOMBO HAD NO REAL CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VALLET 00222 02 OF 02 020858Z

CHANCE TO BUILD APARTY OR TO RECRUIT IMPORTANT INDIVIDUALS, BUT THAT MICALLEF STAFRACE WOULD HAVE SUCH A CHANCE IF HE WERE THE LEADER. THEY MAINTAINED THAT FORMER POLICE COMMISSIONER BENCINI HAD VIRTUALLY NO POLITICAL FOLLOWING (VALLETTA 0180).

10. COMMENT: TABONE WAS HIS USUAL CONFIDENT SELF, BUT B.O., ALTHOUGH ALWAYS MILD-MANNERED AND SOFT-SPOKEN, SEEMED DEPRESSED, PERHAPS A RESULT OF THE RECENT "YOUNG TURK"ACTIVITIES IN HIS PARTY. WHILE NOT WISHING TO EMBARRASS HIM BY ASKING DIRECTLY, WE GAVE HIM AN OPENING TO DISCUSS THE NEW SITUATION WITHIN HIS PARTY, BUT HE FAILED TO TAKE IT UP. GETZ

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: PARTY LINE, POLITICAL LEADERS, POLITICAL SITUATION

Control Number: n/a Copy: SINGLE Draft Date: 01 FEB 1974 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974//ALLET00222

Document Number: 1974VALLET00222 Document Source: CORE Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: GS Errors: N/A Film Number: n/a From: VALLETTA Handling Restrictions: n/a

Image Path:

Legacy Key: link1974/newtext/t19740260/aaaacejy.tel Line Count: 247

Locator: TEXT ON-LINE Office: ACTION EUR

Original Classification: CONFIDENTIAL Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 5

Previous Channel Indicators:
Previous Classification: CONFIDENTIAL

Previous Handling Restrictions: n/a Reference: VALLETTA 0203 Review Action: RELEASED, APPROVED
Review Authority: garlanwa

Review Comment: n/a Review Content Flags: Review Date: 07 MAY 2002

Review Event:

Review Exemptions: n/a
Review History: RELEASED <07 MAY 2002 by ifshinsr>; APPROVED <29-Aug-2002 by garlanwa>

Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: MEETING WITH NATIONALIST PARTY LEADERS

TAGS: PINT, MT, NATIONALIST PARTY

To: STATE

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005